

LAW OFFICES  
BLOOSTON, MORDKOFKY, DICKENS, DUFFY & PRENDERGAST, LLP

2120 L STREET, NW  
WASHINGTON, DC 20037

(202) 659-0830  
FACSIMILE: (202) 828-5568

June 29, 2017

BENJAMIN H. DICKENS, JR.  
JOHN A. PRENDERGAST  
GERARD J. DUFFY  
RICHARD D. RUBINO  
MARY J. SISAK  
D. CARY MITCHELL  
SALVATORE TAILLEFER, JR.

ARTHUR BLOOSTON  
1914 – 1999

AFFILIATED SOUTH AMERICAN OFFICES

ESTUDIO JAUREGUI & ASSOCIATES  
BUENOS AIRES, ARGENTINA

HAROLD MORDKOFKY  
OF COUNSEL

EUGENE MALISZEWSKYJ  
ENGINEERING CONSULTANT

**WRITER'S CONTACT INFORMATION**

(202) 828-5528

**REDACTED – FOR PUBLIC INSPECTION**

***VIA ECFS***

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

**RE: FCC Form 481 – Carrier Annual Reporting Data Collection Form  
WC Docket No. 14-58  
Rice Belt Telephone Company (SAC 401721)**

Dear Ms. Dortch:

Pursuant to sections 54.313(i) and 54.422(c) of the Commission's Rules and the Commission's *Protective Order*<sup>1</sup> in this proceeding, Rice Belt Telephone Company ("the Company") hereby submits a public inspection copy of its "FCC Form 481 – Carrier Annual Reporting Data Collection Form," which will be timely filed with the Universal Service Administrative Company and the appropriate state commission on or before July 3, 2017, and which includes redacted and obscured proprietary and confidential financial information.

The Company seeks confidential treatment under the *Protective Order* for the financial information included in its report pursuant to §54.313(f)(2), plus the related summary financial information included in Section 3005 (page 17) of its progress report. Confidential treatment of this information is appropriate on the grounds that it is commercially sensitive information that is not normally released to the public.

The Company has submitted a separate letter requesting confidential treatment pursuant to Section 0.459 of the Commission's Rules for other proprietary and confidential financial information contained in its filing, including its voice and broadband rates.

Respectfully submitted,

**Rice Belt Telephone Company**

By:   
Gerard J. Duffy

Its Attorney

<sup>1</sup> *In the Matter of Connect America Fund, et al.*, PROTECTIVE ORDER, WC Docket Nos. 10-90 and 14-58, DA 16-296, released March 22, 2016.

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Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, SW, Room TW-A325  
Washington, DC 20554

**RE: Rule Section 0.459 Request for Confidential Treatment**  
**Rice Belt Telephone Company (SAC 401721)**  
**WC Docket No. 14-58**  
**FCC Form 481 – Carrier Annual Reporting Data Collection Form**

Dear Ms. Dortch:

Rice Belt Telephone Company ("the Company"), by its attorney, hereby requests, pursuant to Section 0.459 of the Commission's Rules, that the redacted portions of the Company's rate offerings be withheld from public inspection.

In accordance with Section 0.459(b) of the Commission's Rules, the Company states:

1. The specific information for which confidentiality is sought is comprised of its voice and broadband rates.
2. This voice and broadband rate information is proprietary and confidential commercial and financial information that is routinely withheld from general public inspection by actual and potential competitors.
3. The voice and broadband services for which the rates are charged are subject to actual and potential competition from competitive local exchange carriers, cable television system operators, electric power utilities, fixed and mobile wireless service providers, and/or satellite carriers. Even in the portions of the Company's service area where competition may not be active at present, the nature of the Company's voice and broadband price offerings constitute valuable competitive intelligence for any entity that may be contemplating or planning entry into one or more portions of the Company's service area.


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4. Even where the Company does not have an active competitor at the present time, there are numerous potential competitors and the nature of the Company's voice and broadband price offerings constitute valuable competitive intelligence that can greatly assist the planning of any entity that may be contemplating entry into one or more portions of the Company's service area.

The Company notes that it is also redacting and claiming confidential treatment, pursuant to the Bureau's *Protective Order*, DA 16-296, released March 22, 2016, for the financial information submitted in compliance with the requirements of Section 54.313(f)(2) of the Commission's Rules.

Respectfully submitted,  
**Rice Belt Telephone Company**

By:

  
Gerard J. Duffy

Its Attorney

FCC Form 481 - Carrier Annual Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name: Person USAC should contact with questions about this data	Stephanie Wall
<035>	Contact Telephone Number: Number of the person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	stephanie.wall@smithville.com
Form Type		54.313 and 54.422

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(200) Service Outage Reporting (Voice)  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

<210> For the prior calendar year, were there any reportable voice service outages?

[illegible]

(300) Unfulfilled Service Request  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<300>	Unfulfilled service request (voice)	NA
<310>	Detail on attempts (voice)	Name of Attached Document
<320>	Unfulfilled service request (broadband)	NA
<330>	Detail on attempts (broadband)	Name of Attached Document

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129152215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.0
<450>	Complaints per 1000 customers for mobile broadband	

# REDACTED - FOR PUBLIC INSPECTION

## (500) Compliance With Service Quality Standards and Consumer Protection Rules Data Collection Form

FCC Form 481  
OMB Control No.  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
		401721 line 510.pdf
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	
<515>	Certify compliance with applicable minimum service standards	



(600) Functionality in Emergency Situations  
Data Collection Form

FCC Form 481  
OMB Control No.  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	401721 line 610.pdf

## FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<701>	Residential Local Service Charge Effective Date	1/1/2017
<702>	Single State-wide Residential Local Service Charge	

[illegible]

## FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	9129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

[illegible]



## FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com
<810>	Reporting Carrier	Rice Belt Telephone Company Inc.
<811>	Holding Company	Smithville Holding Company, Inc.
<812>	Operating Company	Rice Belt Telephone Company Inc.

[illegible]



(900) Tribal Lands Reporting Data Collection Form		FCC Form 481 OMB Control No. 3050-0985/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

No

<900> Does the filing entity offer tribal land services? (Y/N)

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

(1000) Voice and Broadband Service Rate Comparability  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

<1000> Voice services rate comparability certification

Yes

<1010> Attach detailed description for voice services rate comparability compliance

401721 line 1010.pdf

Name of Attached Document

<1020> Broadband comparability certification

Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance

401721 line 1030.pdf

Name of Attached Document

<b>(1100) No Terrestrial Backhaul Reporting Data Collection Form</b>		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013	
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<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

Yes
-----

<1100> Certify whether terrestrial backhaul options exist (Y/N)

--

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

<b>(1200) Terms and Condition for Lifeline Customers</b>		FCC Form 481	
<b>Lifeline</b>		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
<b>Data Collection Form</b>		July 2013	

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

Name of Attached Document

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	
<1220>	Link to Public Website	HTTP ://ricebelt.net/lifeline-guidelines/

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>



(2005) Price Cap Carrier Additional Documentation		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers		July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BEIT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

### Incremental Connect America Phase I reporting

<2011> 3rd Year Certification 47 CFR §54.313(b)(1)(ii) - Note that for the July 2017 certification, this applies to Round 2 recipients of Incremental Support.

<2022> Recipient certifies, representing year three after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.

<2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year three - 54.313(b)(2)(ii). Round 2 recipients only.

<2024A> Round 2 Recipient of Incremental Support?

<2024B> Attach list of census blocks indicating where funding was spent in year three - 54.313(b)(2)(ii). Round 2 recipients only.

<2025A> Round 2 Recipient of Incremental Support?

<2025B> Attach geocoded information for Phase I milestone reports (Round 2 for year three) - Connect America Fund, WC Docket 10-90, Report and Order, FCC 13-73, paragraph 35 (May 22, 2013).

<2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)





Name of Attached Document Listing  
Required Information

Name of Attached Document Listing  
Required Information

(2005) Price Cap Carrier Additional Documentation Data Collection Form Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

<2016> Certification support used to build broadband

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

<2017A> Connect America Fund Phase II recipient?

<2017C> Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2016.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)




Name of Attached Document Listing  
Required Information

[3005] Rate Of Return Carrier Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

Select from the drop down menu or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure compliance with the financial reporting requirements set forth in 47 CFR 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)	
(3010A)	Certification of Public Interest Obligations {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	No - No New Community Anchors
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No) <input type="radio"/> <input checked="" type="radio"/>
Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.	<input checked="" type="checkbox"/>
If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant	<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.	<input type="checkbox"/>
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information



FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

(3005) Rate Of Return Carrier Additional Documentation (Continued)

Data Collection Form

<010> Study Area Code	401721
<015> Study Area Name	RICE BELT TEL CO
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035> Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@amihville.com

Financial Data Summary

(3027) Revenue	
(3028) Operating Expenses	
(3029) Net Income	
(3030) Telephone Plant In Service (TPIS)	
(3031) Total Assets	
(3032) Total Debt	
(3033) Total Equity	
(3034) Dividends	



# REDACTED - FOR PUBLIC INSPECTION

(4005) Rural Broadband Experiment Additional Documentation  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 306

July 2013

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

## 4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide community anchor institutions, and provide a list of locations where broadband has been deployed.

### Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must p

**4001.** Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

### Community Anchor Institutions – FCC 14-98 (paragraph 79)

**4003a.** RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

**4003b.** Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year. Name of Attached Document Listing Required Information

### Broadband Deployment Locations – FCC 14-98 (paragraph 80)

**4004a.** Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481. Name of Attached Document Listing Required Information

**4004b.** Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area. Name of Attached Document Listing Required Information

<b>Certification - Reporting Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	401721
<015> Study Area Name	RICE BELT TEL CO
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<039> Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: RICE BELT TEL CO	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/26/2017
Printed name of Authorized Officer: Cullen McCarty	
Title or position of Authorized Officer: Vice President	
Telephone number of Authorized Officer: 8128768725 ext.	
Study Area Code of Reporting Carrier: 401721	Filing Due Date for this form: 07/03/2017
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

<b>Certification - Agent / Carrier</b>	FCC Form 481
<b>Data Collection Form</b>	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010> Study Area Code	401721
<015> Study Area Name	RICE BELT TEL CO
<020> Program Year	2018
<030> Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035> Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

<b>Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

<b>Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent Firm: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Name of Authorized Agent Employee: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

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*Attachments*



<703>

1/1/2017	
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[illegible]

<010>	Study Area Code	401721
<015>	Study Area Name	RICE BELT TEL CO
<020>	Program Year	2018
<030>	Contact Name - Person USAC should contact regarding this data	Stephanie Wall
<035>	Contact Telephone Number - Number of person identified in data line <030>	8129352215 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stephanie.wall@smithville.com

[illegible]

FCC Form 481

Line 510 – Description of Compliance with Service Quality Standards and Consumer Protection

**Rice Belt Telephone Company Inc.** maintains compliance with service quality standards through the use of a variety of tools, including:

1. daily, weekly, and monthly detailed service quality reports;
2. ongoing employee service quality training;
3. regular follow-up inspections of service installation and repairs;
4. proactive maintenance programs;
5. installation of the latest technologies, such as fiber and IP-based equipment;
6. extensive network monitoring equipment; and,
7. 24/7/365 service repair availability

**Rice Belt Telephone Company Inc.** maintains compliance with protection rules through the use of a variety of tools, including:

1. ongoing employee training on consumer protection rules;
2. working with industry experts to identify and incorporate consumer protection best practices into our processes;
3. automated systems using the latest security measures to protect sensitive data;
4. monitoring of customer service calls with customers; and,
5. regular updates to senior management on consumer protection activities



## **Rice Belt Telephone Company's Ability to Function in Emergency Situations**

Rice Belt Telephone Company ("Company") hereby certifies that it is able to function in emergency situations as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.202(a)(2). The Company's network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can change call routing translations as needed to reroute traffic around damaged facilities. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require.

Each central office building is supplied with standby generators and battery reserve that enable it to keep running until power is restored so long as fuel is available, or until system changes are made to reroute traffic. The Company has battery backup at all office locations and in its electronic equipment sites and has a maintenance program in place.

Critical core production data (billing, customer, and plant) is stored within a hosted application so it is available from any location. All other network data is backed up to tape on a nightly, weekly and monthly basis. Backup tapes are rotated offsite to a fireproof file cabinet. In addition, there is a one-way replication from the production network to the Company's disaster recovery network daily.



## **Response to Line 1010 – Voice Service Rate Comparability**

Rice Belt Telephone Company Inc. ("Company") hereby certifies it does not provide voice rates that are above two standard deviations above the national average urban rate, as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.313(a)(10). Company determined this by comparing its rates to the National Average Urban Rate, which was recently released by the FCC. The rate of the Company is below the National Average Urban Rate and therefore the 2 standard deviations calculation does not apply.

## **Response to Line 1030 – Broadband Service Rate Comparability**

Rice Belt Telephone Company Inc. ("Company") hereby certifies it provides Broadband rates that are no more than the most recent applicable benchmark, as established by the Wireline Competition Bureau. Company determined this by comparing its rates Wireline Competition Bureau, which was recently released by the FCC.

## **Response to Line 3010a – Milestone Certification**

Rice Belt Telephone Company Inc. ("Company") hereby certifies that they have taken reasonable steps to provide upon reasonable request broadband service at actual speeds, as required, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonable comparable to comparable offerings in urban areas, and that requests for such service are met within a reasonable amount of time as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.313(f)(1)(i).

**Rice Belt Holdings, Inc.**

Independent Accountant's Review Report and  
Consolidated Financial Statements

December 31, 2016 and 2015

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# Rice Belt Holdings, Inc.

December 31, 2016 and 2015

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## Independent Accountant's Review Report

Board of Directors  
Rice Belt Holdings, Inc.  
Ellettsville, Indiana

We have reviewed the accompanying consolidated financial statements of Rice Belt Holdings, Inc., a wholly owned subsidiary of Smithville Holding Company, Inc., which comprise the consolidated balance sheets as of December 31, 2016 and 2015, and the related consolidated statements of income, stockholder's equity and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement whether due to fraud or error.

### *Accountant's Responsibility*

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### *Accountant's Conclusion*

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

As discussed in Note 2 to the consolidated financial statements, the 2015 consolidated statement of cash flows has been restated to correct a misstatement. Our conclusion is not modified with respect to this matter.

*Other Matter*

The accompanying supplementary consolidating information is presented only for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual companies, and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting records used to prepare the consolidated financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic consolidated financial statements. We are not aware of any material modifications that should be made to the supplementary consolidating information. We have not audited the supplementary consolidating information and do not express an opinion on such information.

*BKD, LLP*

Bloomington, Indiana  
April 26, 2017



## 2015

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**Rice Belt Holdings, Inc.**  
**Consolidated Statements of Income**  
**Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Network access service	\$ [REDACTED]	\$ [REDACTED]
Local network service	[REDACTED]	[REDACTED]
Internet service	[REDACTED]	[REDACTED]
	<u>          </u>	<u>          </u>
<b>Operating Expenses</b>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
<b>Operating Income</b>	[REDACTED]	[REDACTED]
<b>Other Nonregulated Income</b>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
<b>Net Income</b>	<u><u>\$ [REDACTED]</u></u>	<u><u>\$ [REDACTED]</u></u>

**Rice Belt Holdings, Inc.**  
**Consolidated Statements of Stockholder's Equity**  
**Years Ended December 31, 2016 and 2015**

	Common Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholder's Equity
Balance, January 1, 2015	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Distributions			[REDACTED]	[REDACTED]
Net income			[REDACTED]	[REDACTED]
Balance, December 31, 2015	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net income			[REDACTED]	[REDACTED]
Balance, December 31, 2016	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

**Rice Belt Holdings, Inc.**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2016 and 2015**

	2016	2015 (Restated - Note 2)
<b>Operating Activities</b>		
Net income	\$ [REDACTED]	\$ [REDACTED]
Items not requiring (providing) cash		
Depreciation	[REDACTED]	[REDACTED]
Provision for doubtful accounts	[REDACTED]	[REDACTED]
Changes in		
Accounts receivable	[REDACTED]	[REDACTED]
Accounts receivable - related party	[REDACTED]	[REDACTED]
Inventory	[REDACTED]	[REDACTED]
Prepaid and other assets	[REDACTED]	[REDACTED]
Accounts payable	[REDACTED]	[REDACTED]
Accounts payable - related party	[REDACTED]	[REDACTED]
Accrued expenses and other liabilities	[REDACTED]	[REDACTED]
Net cash provided by operating activities	[REDACTED]	[REDACTED]
<b>Investing Activities</b>		
Additions to property and equipment	[REDACTED]	[REDACTED]
Proceeds from sale of property and equipment	[REDACTED]	[REDACTED]
Issuance of notes receivable - related party	[REDACTED]	[REDACTED]
Net cash used in investing activities	[REDACTED]	[REDACTED]
<b>Financing Activity - distributions</b>	[REDACTED]	[REDACTED]
<b>Increase (Decrease) in Cash</b>	[REDACTED]	[REDACTED]
<b>Cash, Beginning of Year</b>	[REDACTED]	[REDACTED]
<b>Cash, End of Year</b>	\$ [REDACTED]	\$ [REDACTED]



## **Rice Belt Holdings, Inc.**

### **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

#### **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

##### ***Nature of Operations***

Rice Belt Holdings, Inc. (Company), a wholly owned subsidiary of Smithville Holding Company, Inc., is a privately owned holding company that is headquartered in Ellettsville, Indiana. The Company's service area is primarily in southeastern Arkansas. The Company also manages its investments in the following wholly owned subsidiaries:

Rice Belt Telephone, Inc. (Telephone) is a regulated telephone exchange carrier which earns revenues predominately from local phone, access, intraLATA toll, directory, DSL and other telephone related services.

Rice Belt Communications, Inc. (Communications) is a nonregulated company that provides internet services.

Rice Belt Properties, Inc. (Properties) is a nonregulated company that holds and manages real estate.

Rice Belt Cellular, Inc. (Cellular) is an inactive nonregulated company.

Rice Belt Security, LLC (Security) was formed during 2014. This entity is nonregulated and will provide alarm monitoring and other security services to residential and commercial customers. This entity had no activity during 2016 or 2015.

##### ***Significant Accounting Policies***

Telephone follows the Uniform System of Accounts prescribed by the Federal Communications Commission (FCC) and the Arkansas Public Service Commission (APSC), which conform in all material respects to accounting principles generally accepted in the United States of America. The nonregulated companies' significant accounting policies conform, in all material respects, to accounting principles generally accepted in the United States of America.

##### ***Principles of Consolidation***

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Telephone, Communications, Properties, Cellular and Security.

All significant intercompany accounts and transactions have been eliminated in consolidation.

## **Rice Belt Holdings, Inc.**

### **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Cash***

At December 31, 2016, the Company's cash accounts exceeded federally insured limits by approximately [REDACTED]

#### ***Accounts and Notes Receivable***

Accounts receivable are stated at the amount billed to customers. The Company provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. If a customer account exceeds 30 days outstanding, a notice of past due status is delivered to the customer. If the amount is not paid within eight days of the notice, service is terminated and the customer can only be reactivated if they pay the outstanding balance plus a service fee. Accounts receivable are ordinarily due upon receipt of an invoice. Accounts that are unpaid after the due date incur a late fee. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

Notes receivable are stated at their outstanding principal amount, net of allowance for uncollectible notes. The Company provides an allowance for uncollectible notes, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Outstanding notes accrue interest based on the terms of the respective note agreements. No specific terms have been stated for when a note receivable is considered delinquent. Management determined no allowance for doubtful notes receivable was necessary at December 31, 2016.

#### ***Inventory Pricing***

Inventories consist of telecommunications related equipment. Inventories are stated at the lower of cost or market using the weighted-average cost method.

## **Rice Belt Holdings, Inc.**

### **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

#### ***Property and Equipment***

Telecommunication plant in service is stated at original cost and includes materials, labor, transportation and certain indirect items such as engineering, supervision and employee benefits. Additions, replacements and renewals determined to be units of property are generally charged to telecommunication plant accounts.

For the Company's regulated and nonregulated operations, composite group depreciation methodology is followed; accordingly, depreciation is provided using a composite straight-line method based on the estimated lives of the various classes of depreciable property. Composite depreciation rates, as applied to the average cost of depreciable property, were approximately [REDACTED] and [REDACTED] in 2016 and 2015, respectively. Retirements of regulated telecommunication plant are generally charged in total to the accumulated depreciation account, together with the cost of removal less salvage. A gain or loss is recognized at the time of retirement or disposal of nonregulated property and equipment.

The Company charges maintenance and repairs, including the cost of renewals of minor items of property, to the plant-specific operations expense accounts.

#### ***Long-Lived Asset Impairment***

The Company evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended December 31, 2016 and 2015.

#### ***Income Taxes***

The stockholder of the corporation has elected to have the Company's income taxed as an "S" Corporation under provisions of the Internal Revenue Code and a similar section of the state income tax laws. Therefore, taxable income or loss is reported to the individual stockholder for inclusion in its respective tax returns and no provision for federal and state income taxes is included in these statements.



## **Rice Belt Holdings, Inc.**

### **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

#### ***Revenue Recognition***

Revenues are recognized in the period in which they are earned. Revenue sources for the Company is comprised of network access service, local and network service and internet service.

Telephone's network access and long distance service revenues are derived from charges for access to the Company's local exchange network. The interstate portion of access revenues is based on a cost separation procedure settlement formula administered by the National Exchange Carrier Association (NECA) which is regulated by the FCC. The intrastate portion of access revenues is billed on an individual company tariff access charge structure based on expense and plant investment of the Company as approved by the state regulatory authority. The tariffs developed from these formulas are used to charge the connecting carrier and recognize revenues in the period the traffic is transported based on the minutes of traffic carried. Long distance revenues are recognized at the time a call is placed based on the minutes of traffic processed at contracted rates.

Internet service revenues are recognized over the period a subscriber is connected to the network.

Reported network access revenues are estimates subject to settlement adjustments in the near term resulting from changes in expense and plant investment levels and rate of return experience.

#### ***Taxes Collected From Customers and Remitted to Governmental Authorities***

Taxes collected from customers and remitted to governmental authorities are presented in the accompanying consolidated statements of income on a net basis.

#### ***Reclassifications***

Certain reclassifications have been made to the 2015 consolidated financial statements to conform to the 2016 consolidated financial statement presentation. These reclassifications had no effect on net earnings.

#### ***Subsequent Events***

Subsequent events have been evaluated through the date of the Independent Accountant's Review Report, which is the date the consolidated financial statements were available to be issued.



# Rice Belt Holdings, Inc.

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 2: Restatement of Prior Year's Statement of Cash Flows

During 2016, the Company identified 2015 consolidated statement of cash flows line items that should be reclassified. There was no effect on net income as a result of the reclassification.

The following 2015 consolidated statement of cash flows line items were affected by the correction.

	As Restated	As Previously Reported	Effect of Change
<b>Statement of Cash Flows</b>			
Operating Activities - accounts payable - related party	\$ [REDACTED]	\$ [REDACTED]	\$ [REDACTED]
Net cash provided by operating activities	[REDACTED]	[REDACTED]	[REDACTED]
Investing Activities - distributions	[REDACTED]	[REDACTED]	[REDACTED]
Investing Activities - accounts payable - related party	[REDACTED]	[REDACTED]	[REDACTED]
Net cash used in investing activities	[REDACTED]	[REDACTED]	[REDACTED]
Financing Activity - distributions	[REDACTED]	[REDACTED]	[REDACTED]
Net cash used in financing activities	[REDACTED]	[REDACTED]	[REDACTED]

### Note 3: Accounts Receivable

	2016	2015
Telecommunication receivables	\$ [REDACTED]	\$ [REDACTED]
NECA, USF and other receivables	[REDACTED]	[REDACTED]
Provision for doubtful accounts	[REDACTED]	[REDACTED]
	<u>\$ [REDACTED]</u>	<u>\$ [REDACTED]</u>

# Rice Belt Holdings, Inc.

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 4: Property and Equipment

	2016	2015
Telecommunication plant in service	\$ [REDACTED]	\$ [REDACTED]
Telecommunication plant under construction	[REDACTED]	[REDACTED]
Nonregulated property and equipment	[REDACTED]	[REDACTED]
Less accumulated depreciation	[REDACTED]	[REDACTED]
	\$ [REDACTED]	\$ [REDACTED]

### Note 5: Multiemployer Pension Plan

The Company contributes to a multiemployer defined-benefit pension plan under the terms of an agreement that covers its employees, all of which are non-union. The risks of participating in a multiemployer plan are different from single-employer plans in the following aspects:

1. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Company chooses to stop participating in a multiemployer plan, the Company may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Company's participation in this plan for the years ended December 31, 2016 and 2015 is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number. The plan does not have a certified zone status as currently defined by the Pension Protection Act of 2006 (PPA) because the Program is considered a multiple employer plan pursuant to the Internal Revenue Code and ERISA. Additionally, the plan is considered a multiemployer plan for financial reporting purposes. The "FIP/RP Status Pending/Implemented" column indicates if a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status	FIP/RP Status Pending/ Implemented	Contributions of the Company		Surcharge Imposed
				2016	2015	
National Telecommunications Cooperative Association	52-0741336-333	N/A	N/A	\$ [REDACTED]	\$ [REDACTED]	No

## Rice Belt Holdings, Inc.

### Notes to Consolidated Financial Statements December 31, 2016 and 2015

The Company was not listed in its plan's Form 5500 as providing more than [REDACTED] percent of the total contributions for the 2015 plan year. At the date the consolidated financial statements were issued, Form 5500 was not available for the plan year ended in 2016.

#### **Note 6: Related Party Transactions**

The Company has accounts payable due to a company or companies related through common ownership. The outstanding balance is unsecured and has been classified as a long-term liability. However, the outstanding balance may be repaid at management's discretion based upon available cash, capital needs and other operating considerations.

Additionally, the Company has a note receivable due from its parent company. The note is due December 2019 and bears interest at 2.00%. The balance of the note receivable was [REDACTED] at December 31, 2016.

The Company had accounts receivable due from a related party of [REDACTED] at December 31, 2015.

#### **Note 7: Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

##### ***General Litigation***

The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position, results of operations and cash flows of the Company.

##### ***Asset Retirement Obligations***

Asset retirement obligations are recorded when the Company has a legal obligation to remediate the property and the amount can be reasonably estimated. No such liabilities were accrued at December 31, 2016 and 2015. Based on existing conditions, the Company believes that such costs, if any, would not have a material adverse effect on its financial position or the annual results of its operations.

## Supplementary Information

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See Independent Accountant's Review Report

# Rice Belt Holdings, Inc.

## Consolidating Schedule - Statement of Income and Equity Information Year Ended December 31, 2016

	Rice Belt Holdings, Inc.	Rice Belt Telephone, Inc.	Rice Belt Communications, Inc.	Rice Belt Properties, Inc.	Eliminating Entries	Rice Belt Holdings, Inc. Consolidated
<b>Operating Revenues</b>						
Network access service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local network service	-	-	-	-	-	-
Internet service	-	-	-	-	-	-
<b>Operating Expenses</b>						
Operating Income (Loss)	-	-	-	-	-	-
<b>Other Income (Expense)</b>						
Interest income	-	-	-	-	-	-
Income from subsidiaries	-	-	-	-	-	-
Other nonregulated	-	-	-	-	-	-
<b>Net Income (Loss)</b>						
Equity (Deficit), Beginning of Year						
Equity (Deficit), End of Year	\$	\$	\$	\$	\$	\$

**Rice Belt Holdings, Inc.**  
**Consolidating Schedule - Statement of Cash Flows Information**  
**Year Ended December 31, 2016**

	Rice Belt Holdings, Inc.	Rice Belt Telephone, Inc.	Rice Belt Communications, Inc.	Rice Belt Properties, Inc.	Eliminating Entries	Rice Belt Holdings, Inc. Consolidated
<b>Operating Activities</b>						
Net income (loss)						
Items not requiring (providing) cash						
Depreciation						
Provision for doubtful accounts						
Income from subsidiaries						
Changes in						
Accounts receivable						
Accounts receivable - related party						
Accounts receivable - intercompany						
Inventory						
Prepaid and other assets						
Accounts payable						
Accounts payable - intercompany						
Accounts payable - related party						
Accrued expenses and other liabilities						
Net cash provided by (used in) operating activities						
<b>Investing Activities</b>						
Additions to property and equipment						
Proceeds from sale of property and equipment						
Issuance of notes receivable - related party						
Issuance of notes receivable - intercompany						
Net cash used in investing activities						
<b>Financing Activity - borrowings under notes payable - intercompany</b>						
Decrease in Cash						
Cash, Beginning of Year						
Cash, End of Year						